



OREGON HOUSE OF REPRESENTATIVES

Testimony in support of HB 3213

Chair Hudson, Vice Chair Fragala, Vice Chair Harbick, and members of the House Higher Education Committee,

For the record, I am Farrah Chaichi, Representative of House District 35, which includes Beaverton and Aloha. Thank you for the opportunity to testify on HB 3213, known as the University Foundation Sunshine Act. This bill calls for transparency from ALL of Oregon's public universities. This Sunshine Act seeks to expand Oregon's open government and transparency standards by requiring the foundations of Oregon's eight public universities to adhere to the public records laws of the state.

I will be keeping today's testimony short because I would rather you hear more from the diverse group of stakeholders working together on this legislation. I want to thank Andrew, who you will hear from next, who is a grad student at the University of Oregon and played a significant role in bringing this bill forward. You will also hear from faculty members, university staff, students, and members of the public who have a sincere interest in this issue.

For years, I have spoken loudly about the access and affordability crisis that Oregon, and the rest of the country is facing, especially when it comes to higher education. Education is a fundamental human right. I'm sure all of you who sit on **THIS** committee are more than aware of the countless positive impacts that attaining a post-secondary degree can have on a student's life, especially students from minority and low income backgrounds. We are all here because we value and support higher education.

What I hope you take away from this hearing is that this legislation aims to promote trust, transparency, and goodwill between the public universities we, the Legislature, are tasked with overseeing and the communities they serve.

HB 3213 is a step toward accountability. When we see students from across Oregon travelling all the way to Salem every year to tell us that they cannot afford tuition or their basic needs; when faculty are staging sit-ins at University board meetings to push back against violations of their shared governance model; and when staff are frequently in protracted bargaining just to fight for a living wage to help keep students in the classroom, we must ask ourselves what is going on? Clearly, something is amiss.



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While the foundations are considered separate entities, they rely on the name, reputation, missions, and students of the public universities to raise funds. We don't think it is too far of a stretch to walk ourselves across the University campus to the doorstep of University foundations. In total, the existing eight public universities manage a combined **\$4 billion** in endowments. Approximately 93% of these funds are "donor restricted," which allows conditions to be set by donors that limit how and where those funds can be used. But those conditions are often not disclosed to the public. Many of these donor gifts are structured in a way that prevents dollars from being spent on general expenses, like reducing tuition or ensuring fair wages for workers. Shining a light on these conditions encourages open discussion on spending in the best interest of students, faculty, donors, and the public, rather than skepticism and suspicion.

Our team has met with many of the universities, including OHSU. We told them what the bill does and why we think it is important for Oregon:

**Section 1** adds public university foundations to the definition of "public body" in ORS 192.311, Oregon's public records statute.

**Section 2** differentiates what is and is not exempt from public disclosure. It accounts for the Universities' concerns about donor anonymity with strong protections for current and prospective donors, as well as maintaining privacy of their fundraising and investment strategies. More importantly, it calls for the opening of documents related to donation amounts, purposes, donor-imposed restrictions, any self-dealing transactions among the foundation officers, any impacts to academic curriculum, and contracts the foundation is engaged in.

**Section 3** requires annual financial reporting, including audits and investment reports, to ensure accountability in fund management.

We do not believe there is a reasonable basis for excluding these Universities' boards and their interlocking foundations from the definition of a public body. Their primary purpose is to support their respective public universities. Ensuring these foundations are subject to public records laws encourages funds to be managed in the best interest of students, faculty, and the broader community.

Thank you for your time, and I hope that I can count on your support of [HB 3213-1A](#).